

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2024081647103**

TO: Department of Enforcement
Financial Industry Regulatory Authority (FINRA)

RE: John Babatunde Abolarin (Respondent)
Investment Company and Variable Contracts Products Representative
CRD No. 2659399

Pursuant to FINRA Rule 9216, Respondent John Babatunde Abolarin submits this Letter of Acceptance, Waiver, and Consent (AWC) for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against Respondent alleging violations based on the same factual findings described in this AWC.

I.

ACCEPTANCE AND CONSENT

A. Respondent accepts and consents to the following findings by FINRA without admitting or denying them:

BACKGROUND

Abolarin first became registered with FINRA as an Investment Company and Variable Contracts Products Representative in October 1995. In March 2004, Abolarin became registered with FINRA in the same capacity through an association with PFS Investments Inc. (BD No. 10111).¹

OVERVIEW

Between April 2017 and May 2024, Abolarin engaged in outside business activities without providing prior written notice to PFSI. As a result, Abolarin violated FINRA Rules 3270 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 3270 provides, in relevant part:

No registered person may be an employee, independent contractor, sole proprietor, officer, director or partner of another person, or be compensated, or have the reasonable expectation of compensation, from any other person as a result of any business activity outside the scope of

¹ For more information about the respondent, visit BrokerCheck® at www.finra.org/brokercheck.

the relationship with his or her member firm, unless he or she has provided prior written notice to the member, in such form as specified by the member.

A violation of FINRA Rule 3270 also constitutes a violation of FINRA Rule 2010, which requires that members and associated persons observe high standards of commercial honor and just and equitable principles of trade in the conduct of their business.

Throughout the relevant period, PFSI's written supervisory procedures required registered representatives to provide written notice to the firm prior to engaging in any outside business activity.

In April 2017, without providing any notice to his firm, Abolarin formed an LLC through which he operated an information-technology consulting business. Throughout the relevant period, Abolarin's IT consulting work was his primary source of income, and he spent most of his working hours on this outside business. Moreover, for several months starting in November 2021, Abolarin owned and operated an e-commerce storefront business through this same LLC, again without providing any notice to his firm. Abolarin's e-commerce storefront business offered products for sale to the public on an established e-commerce platform. Abolarin also inaccurately affirmed on multiple annual compliance questionnaires that he had completely and accurately disclosed his outside business activities to the firm.

It was not until May 2024, approximately seven years after he formed the LLC, that Abolarin submitted a written form disclosing his outside business activities to PFSI.

Therefore, Abolarin violated FINRA Rules 3270 and 2010.

B. Respondent also consents to the imposition of the following sanctions:

- a one-month suspension from associating with any FINRA member in all capacities.

Respondent has submitted a statement of financial condition and demonstrated an inability to pay. In light of Respondent's financial status, no monetary sanctions have been imposed.

Respondent understands that if he is barred or suspended from associating with any FINRA member, he becomes subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, he may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. *See* FINRA Rules 8310 and 8311.

The sanctions imposed in this AWC shall be effective on a date set by FINRA.

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a complaint issued specifying the allegations against him;
- B. To be notified of the complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made, and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council (NAC) and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Respondent specifically and voluntarily waives any right to claim bias or prejudgment of the Chief Legal Officer, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

Respondent further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

Respondent understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:

1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future action brought by FINRA or any other regulator against Respondent;
2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
3. FINRA may make a public announcement concerning this agreement and its subject matter in accordance with FINRA Rule 8313; and
4. Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Respondent may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party. Nothing in this provision affects Respondent's testimonial obligations in any litigation or other legal proceedings.

D. Respondent may attach a corrective action statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that he may not deny the charges or make any statement that is inconsistent with the AWC in this statement. This statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA.

Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; Respondent has agreed to the AWC's provisions voluntarily; and no offer, threat, inducement, or promise of any kind, other than the terms set forth in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce him to submit this AWC.

September 4, 2024

Date

John Abolarin

John Babatunde Abolarin
Respondent

Reviewed by:

Stephen D. Councill

Stephen Councill
Counsel for Respondent

Council, Gunnemann & Chally, LLC
1201 W. Peachtree St. NW, Ste 2613
Atlanta, GA 30361

Accepted by FINRA:

Signed on behalf of the
Director of ODA, by delegated authority

September 6, 2024

Date



Lisa Lightbody
Counsel
FINRA
Department of Enforcement
Brookfield Place
200 Liberty Street
New York, NY 10281